

## Factsheet final findings Global Challenges Programme Call 2



## Follow the Food – Dutch agribusiness and local food security in Africa

#### Summary

In order to feed the rapidly expanding world population, the past decades have witnessed a strong increase in cross-border agrofood investments, increasingly targeting the global South. Many such investments aim at (inter-)national markets, but the "Follow the Food" project investigates how *local* food systems in Ethiopia, Kenya and Ghana are affected by foreign investments in agribusiness. The key research question is on the impact of companies on local food and nutrition security; this through the effects on production and employment, on access to - and use of - natural resources, and changes in market conditions. How do these dynamics affect local development for people involved in these projects and their neighbours in their communities? Furthermore, which business models are best equipped to make a sustainable contribution to local inclusive development and food security? Answers to these questions are used to offer advice for investors, smallholders and policy makers on how to engage in inclusive agribusiness and enhance local food security. The project is conducted in collaboration with Solidaridad, Fair & Sustainable Advisory Services, and St. Mary's University in Addis Ababa, Ethiopia.

# Final research findings

- Inclusive agribusiness is a misleading term in the sense that participation in commercial food chains is necessarily a selective process: it exposes small producers to strong competition and imposes high (costly) standards. As a result, inclusive business approaches can be a suitable strategy for the development of commercial smallholder agriculture among part of the farming population, in itself a highly desirable outcome in African countries.
- The logical corollary of the first point is that inclusive agribusiness is not a sufficient strategy for poverty alleviation: the poorest and weakest groups are unlikely to benefit beyond an initial subsidized project period.
- Inclusive business models tend to be designed along a narrow supply chain logic, accounting for directly involved lead firm, farmers, service providers. This overlooks the important indirect effects, which ranges from agroecology (monocropping, water use), local food availability and food prices, and gender relations.
- Business interventions usually focus on improving productivity, product quality and income, and assume a positive impact on food security. Even when these growth targets are met, this rarely translates into better food and - especially - nutrition conditions, as other factors (cultural preferences, spending priorities) intervene.

Final outcomes achieved The immediate target group includes advisory services, NGOs and policy makers working in the field of inclusive agribusiness and food and nutrition security. Outcomes at this level include the awareness of the tentative nature of inclusive agribusiness approaches in terms of poverty alleviation and socioeconomic differentiation in communities. The project developed a tool to assess the food security impacts of agribusiness investments in their locality of operation, which is now used by Fair & Sustainable Advisory Services and Solidaridad in supporting the design of agrifood chains with clients/partners. Especially for Solidaridad (East and West Africa), the project contributed to a change in operations towards a landscape approach, viewing agribusiness investments not just in value chain perspective, as was common practice, but recognizing the important indirect effects within the 'landscapes' where nodes of the value chain are positioned. These new approaches and insights have been widely shared with partners, including companies, in several workshops in Ethiopia, Kenya and Ghana, organised within the framework of the project as well as others. Beyond the level of these partners, ultimate beneficiaries are farming communities and consumers; effects at this level cannot be ascertained within the framework of the 'Follow the Food' project.

Messages to

**Knowledge** 

products

#### A) Actors from private sector (entrepreneurs, traders, investors etc.):

The impact of private stakeholders reaches beyond immediate stakeholders such as farmers and consumers involved in the value chain. Check these wider consequences.

### B) Civil society and practitioners organizations:

- Inclusive agribusiness approaches may help some to benefit from market opportunities, but do not rely on it as an answer to poverty. Make sure policies such as social services (health, education) and employment creation are in place for the poor.
- Increased farmer income due to agribusiness projects does not easily result in better food security and may actually reduce local food availability and diversity. Therefore, help increase nutrition awareness and diversity of food supply at the local level.

#### C) Policy makers:

- Inclusive agribusiness approaches can be useful in creating commercially viable smallholder farming, but are not sufficient for poverty alleviation. If that is the objective, specific measures must target the poor, e.g. by improving health, education, employment conditions.
- While inclusive agribusiness approaches may help increase income for those who can participate, this does not automatically translate into improved local food security. Specific policies are needed to achieve this.
- Long-term food security impacts require moving from a linear value chain approach to systems and landscape approaches. This implies that understanding of local food systems should be the starting point for any food security intervention.

#### Publications

- Academic article: "Inclusive agribusiness models in the Global South: the impact on local food security". A.C.M. (Guus) van Westen, Ellen Mangnus, James Wangu, Senait Getahun Worku; Current Opinion in Environmental Sustainability, December 2019.
- Academic article: "<u>How inclusive businesses can contribute to local food security</u>". Ellen Mangnus; Current Opinion in Environmental Sustainability, December 2019.
- Insight paper: "Farmers! Which Farmers? Strategies to differentiate categories of farmers as 'target' group of food security interventions". University Utrecht & AgriProFocus, March 2019.
- Academic article: "Roaming through the Maze of Maize in Northern Ghana. A Systems Approach to Explore the Long-Term Effects of a Food Security Intervention". Mangnus, Ellen and A.C.M. van Westen; Sustainability, 2018.
- Opinion article: "Markt lost ondervoeding niet op". De Volkskrant, October 2018 (in Dutch).
- Policy Note: "<u>Voedselzekerheid vereist een systeemaanpak</u>". Solidaridad, June 2018, partly based on insights Follow the Food (in Dutch).

#### Tools and courses

- Presentation Framework developed in course: "The Global Landscapes Forum Restoring Africa's Landscapes: Catalyzing Action from above and below" during GLF Conference in Accra, Ghana on 29 & 30 October 2019.
- Five day course and training in Accra, Ghana: "Securing Rights in Landscapes". Solidaridad West Africa and Wageningen International, 23-28 October 2019.
- Business Tool, developed by Fair & Sustainable Consulting.

Knowledge networks	LANDac (partnership on land governance and rights pertaining to land and related natural resources), <u>Future Food Utrecht</u> (Platform on food-related research at Utrecht University), as well as the <u>Food &amp;</u> <u>Business Knowledge Platform</u> .
Co-creation	<ul> <li>Since its inception, project partners Solidaridad and Fair &amp; Sustainable Consulting have been closely involved in PhD and MSc research. They facilitated the fieldwork- case selection, logistics, supervision. The project PhD students regularly work from their offices in Nairobi and Addis Ababa.</li> <li>Fair &amp; Sustainable Consulting (both Netherlands and Ethiopia) and Solidaridad (Netherlands, East-and West Africa) collaborated to develop, pilot and launch the business tool.</li> <li>There is close cooperation with the AgriProFocus Office Netherlands. Together a policy brief was written on targeting farmers in food security interventions.</li> <li>Solidaridad West Africa collaborated with Wageningen Centre for Development Innovation to facilitate a course on landscape approaches in Ghana for Solidaridad employees. The framework developed during this course has been presented at the Global Landscape Forum in Accra.</li> </ul>
Consortium partners	<ul> <li>Fair &amp; Sustainable Netherlands &amp; Ethiopia</li> <li>Solidaridad Netherlands &amp; East Africa &amp; West Africa</li> <li>Ltrecht University - Department of Earth Sciences</li> <li>St. Mary's University – Soil Science</li> </ul>
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Project website	E&BKP Research Project page